Government of Saskatchewan

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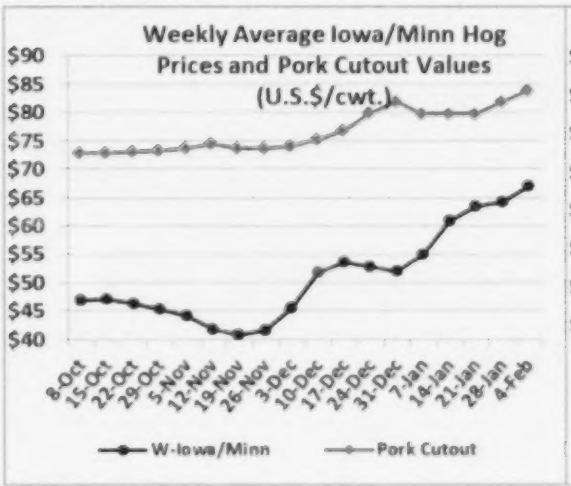
Weekly Hog Report

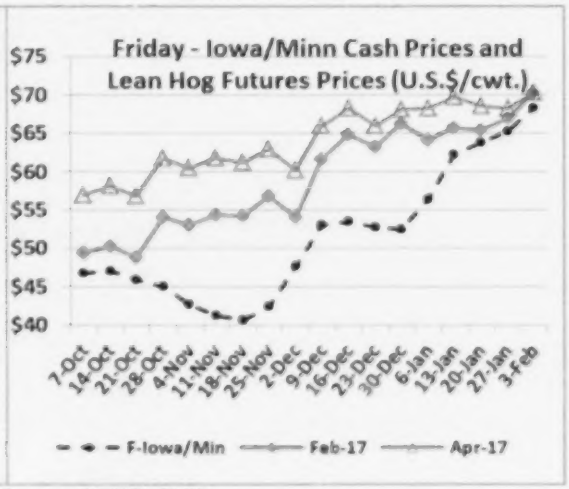
February 6, 2017

Cash Slaughter Weight Hog Prices

United States daily average cash hog prices (Iowa/Minn) continued to edge higher last week. Hog prices on Friday February 3 averaged US$68.18 per cwt, up US$2.98 per cwt or 4.6 per cent from US$65.20 per cwt the previous Friday. The negotiated weekly base price last week averaged US$66.97 per cwt, up US$2.83 per cwt or 4.4 per cent from US$64.14 per cwt the previous week.



Source: LMIC



Source: LMIC, CME

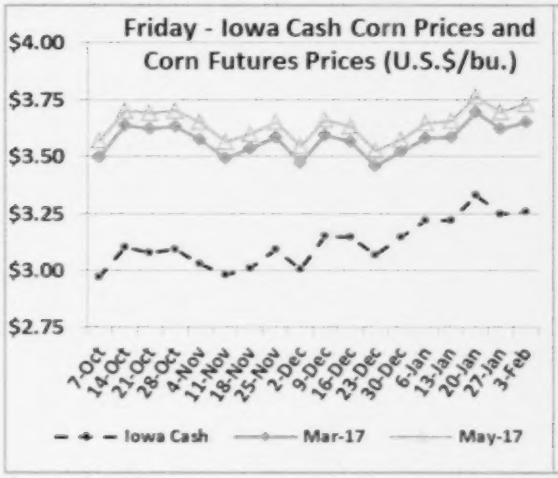
In Canada, the Signature#5 (Maple Leaf) Index 100 daily price for Friday February 3, 2017 was $163.51 per ckg, up $6.71 per ckg or 4.3 per cent from $156.80 per ckg the previous Friday. Signature#5 weekly prices (Friday to Thursday) averaged $160.55 per ckg, up $3.49 per ckg or 2.2 per cent from the previous weeks' average price of $157.06 per ckg. The Canadian dollar continued higher in the week to settle Friday at 76.76 cents, up 0.64 cents from 76.12 cents the previous Friday.

Futures Markets

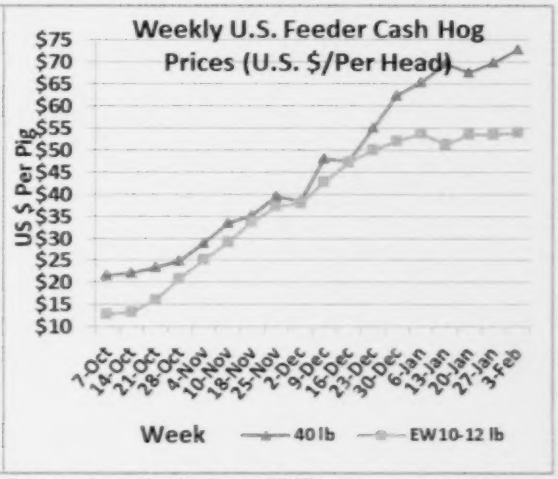
United States lean hog futures daily prices were mixed last week but primarily higher over the week to end higher, week-over-week. The nearby February contract increased US$3.425 per cwt or 5.1 per cent to settle Friday at US$70.325 per cwt. The April 2017 lean hog futures contract increased US$1.950 per cwt or 2.9 per cent last week to settle Friday at US$70.250 per cwt.

Cash Feeder Hog Prices

North American (Iowa) iso-wean (10-12lb) cash hog prices and feeder (40lb) cash hog prices were overall higher last week. Weighted average cash prices for iso-weans (12lb) last week were US$54.01 per head, up US$0.44 per head from US$53.57 per head the previous week. Feeders (40lb) averaged US$72.76 per head, up US$2.98 per head or 4.3 per cent from US$69.78 per head, the previous week.



Source: LMIC



Source: Iowa Agriculture, CME

U.S. corn prices were overall higher last week. Iowa cash corn prices settled Friday at US$3.26 per bushel, up one cent from US$3.25 per bushel the previous Friday. The March corn futures contract increased almost three cents to settle Friday at US$3.65 ¼ per bushel, while the May 2017 corn contract increased three cents per bushel to settle Friday at US$3.72 ¾ per bushel.

Hogs Slaughtered

U.S. hogs slaughtered under federal inspection for the week ending February 4 were estimated at 2.327 million head, down 1.7 per cent from 2.367 million head the previous week, but up 6.8 per cent from 2.179 million head the same week a year ago. Weekly U.S. hog slaughter numbers over the last four weeks have averaged about 2.353 million head, up 3.4 per cent from 2.275 million head over the same period a year ago.

In Canada, federal and provincial hog slaughter numbers for the week ending January 28, 2017 were estimated at 426,593 head, down 4.8 per cent from 448,003 head the previous week, and down 1.1 per cent from 431,395 head the same week a year ago. Canadian hog slaughter numbers over the last four weeks averaged 424,815 head, down 4.0 per cent from 442,697 head over the same period a year ago. (Source: AAFC/CFIA)

In Western Canada, federal and provincial hog slaughter numbers for the week ending January 28, 2017 were estimated at 175,435 head, down 4.9 per cent from 181,369 head the previous week, but up 0.6 per cent from 171,366 head the same week a year ago.

Meat Production

U.S. pork production for the week ending February 4, 2017 was estimated at 496.0 million lb., down 1.5 per cent from 503.7 million lb. the previous week, but up 7.3 per cent from 462.2 million lb. the same week a year ago. Pork production over the last four week's ending February 4 was estimated to average 501.2 million lb., up 3.3 per cent from 485.1 million lb. over the same four week period a year ago.

U.S. beef production for the week ending February 4 was estimated at 491.0 million lb., up 2.3 per cent from 480.1 million lb. the previous week, and up 10.6 per cent from 443.8 million lb. the same week a year ago.

Combined production of U.S. beef, pork, chicken and turkey over the four weeks ending January 28, 2017, was estimated to average 2.079 billion lb., down 0.5 per cent from 2.089 billion lb. over the same four weeks a year ago.

United States Weekly Meat Production

(Jan. 28) Four Week Average - Million Lb.			Percent Change	
	2016	2017	4 Week	YTD 2017
Pork	497.4	488.5	-1.8%	-1.8%
Beef	472.2	476.8	1.0%	1.0%
Chicken	982.4	982.9	0.0%	0.0%
Turkey	137.2	130.6	-4.8%	-4.8%
Total	**2,089.2**	**2,078.9**	**-0.49%**	**-0.49%**

Source: LMIC

Cutout Values

U.S. national pork cutout values for the week ending February 4, 2017 averaged US$83.72 per cwt, up $1.93 per cwt or 2.4 per cent from US$81.79 per cwt the previous week, and up 8.4 per cent from US$77.23 per cwt from the same week a year ago.

Choice beef cutout prices (600-900 lb.) for the week ending February 4, 2017 averaged US$192.88 per cwt over the week, up US$0.79 per cwt or 0.4 per cent from US$192.09 per cwt the previous week, but down 13.1 per cent from US$221.84 per cwt the same week a year ago.

Average chicken cutout values (breast) for the week ending February 4, 2017 averaged US$104.36 per cwt, unchanged from US$104.36 per cwt the previous week, but down 6.4 per cent from US$111.53 per cwt the same week a year ago.

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